



**LOUISIANA CAPITAL AREA  
ECONOMIC DEVELOPMENT ALLIES, INC.**

**COMPILED FINANCIAL REPORT**

**AS OF JUNE 30, 2006, 2007 AND 2008**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

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# *George F. Delaune*

CERTIFIED PUBLIC ACCOUNTANT

(A Professional Corporation)

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## INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Directors of  
Louisiana Capital Area Economic Development Allies, Inc.

I have compiled the accompanying statement of financial position of LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC., (a Nonprofit Organization), as of June 30, 2006, 2007, and 2008, and the related statement of activities for the period June 15, 2005 to June 30, 2006 and for the years ended June 30, 2007 and 2008, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*George F. Delaune, CPA*

October 13, 2008

**LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**JUNE 30,**

	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>ASSETS</b>			
Cash	\$ 66	\$ (34,276)	\$ 16,304
<b>TOTAL ASSETS</b>	<u>66</u>	<u>(34,276)</u>	<u>16,304</u>
 <b>LIABILITIES</b>			
Accounts payable	<u>0</u>	<u>0</u>	<u>0</u>
<b>TOTAL LIABILITIES</b>	<u>0</u>	<u>0</u>	<u>0</u>
 <b>NET ASSETS</b>			
Unrestricted - undesignated	<u>66</u>	<u>(34,276)</u>	<u>16,304</u>
<b>TOTAL NET ASSETS</b>	<u><u>\$ 66</u></u>	<u><u>\$ (34,276)</u></u>	<u><u>\$ 16,304</u></u>

See accountant's compilation report.

LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.  
STATEMENT OF ACTIVITIES AND CHANGES IN NET ASSETS  
PERIOD JUNE 15, 2005 TO JUNE 30, 2006  
AND YEARS ENDED JUNE 30, 2007, AND 2008

	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>REVENUES</b>			
Grants -			
Louisiana Economic Development	\$ 40,310	\$ 33,445	\$ 75,979
Miscellaneous and sponsorships	29,092	3,106	1,500
Total Revenues	<u>69,402</u>	<u>36,551</u>	<u>77,479</u>
<b>EXPENSES</b>			
Recruitment activities	28,673	37,556	44,851
Regional marketing	6,042	47,474	10,406
Administrative expenses	345	2,101	5,918
Total Expenses	<u>35,060</u>	<u>87,131</u>	<u>61,175</u>
<b>CHANGE IN NET ASSETS</b>	34,342	(50,580)	16,304
Net Assets at Beginning of Year	<u>(34,276)</u>	<u>16,304</u>	<u>0</u>
<b>NET ASSETS AT END OF YEAR</b>	<u><u>\$ 66</u></u>	<u><u>\$ (34,276)</u></u>	<u><u>\$ 16,304</u></u>

See accountant's compilation report.

**LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.**  
**NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 1 - THE ENTITY AND NATURE OF OPERATIONS**

On December 22, 2004, the LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC. (LaCAEDA) was organized as a non-profit corporation under the Louisiana Nonprofit Corporation Law, specifically Louisiana Revised Statutes Title 12:201-12:269, et seq, as amended.

LaCAEDA was formed to develop programs and activities to support a regional economic development effort. To complete this task, LaCAEDA entered into a Cooperative Endeavor Agreement with the Louisiana Department of Economic Development for economic development in the Capital Area Region. The Capital Area Region consists of nine (9) parishes of Ascension, East Baton Rouge, West Baton Rouge, Iberville, Livingston, East Feliciana, West Feliciana, St. Helena, and Pointe Coupee.

**NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, LaCAEDA is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. During the period covered by these financials, LaCAEDA had no temporarily or permanently restricted net assets.

**Basis of Accounting**

The financial statements of the LaCAEDA have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities. Accordingly, revenues are recognized when earned and expenses are recognized when incurred.

**Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**Fund Accounting**

The accounts of the LaCAEDA are maintained in accordance with the principles of fund accounting. Under fund accounting, resources for various purposes are classified for accounting and reporting purposes into funds established according to their nature and purpose. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into fund groups. In accordance with SFAS No. 117, fund balances are classified on the Statement of Financial Position as unrestricted, temporarily restricted, or permanently restricted net assets based on the absence or existence and type of donor-imposed restrictions. LaCAEDA maintains only one fund to report its activities.

**Revenue Recognition**

Revenue is recognized when the expense is incurred and eligible for reimbursement from Louisiana Economic Development. All other revenues are recognized when received.

**Income Tax Status**

The LaCAEDA is exempt from federal income taxes under Internal Revenue Code Section 501(c)(3) and Louisiana Revenue and Taxation Code.

**LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.  
NOTES TO THE FINANCIAL STATEMENTS**

**Cash and Cash Equivalents**

Cash and cash equivalents include all monies in banks and highly liquid investments with maturity dates of less than three months. The carrying value of cash and cash equivalents approximates fair value because of the short maturities of those financial instruments.

**NOTE 3 - CASH**

Regulations require that deposits of the LaCAEDA be insured by Federal depository insurance or collateralized by securities held in the name of the LaCAEDA by the trust department of a bank that does not hold the collateralized deposits. As of June 30, 2008, the status of deposited funds and collateralized balances are as follows:

Demand accounts	\$ 66
Federal deposit insurance coverage	66
Pledged securities	<u>0</u>
Unsecured	<u><u>\$ 0</u></u>

**NOTE 3 - COOPERATIVE ENDEAVOR AGREEMENT**

In accordance with an Act of the 2005 Regular Session of the Louisiana Legislature, a supplemental appropriation for the expenditure of State funds was awarded to LaCAEDA in the amount of \$167,000. The original contract was for the period June 15, 2005 to May 31, 2006 with a final extension until December 31, 2007. During the period covered by the agreement, LaCAEDA received \$149,734 from Louisiana Economic Development.

**NOTE 4 - PER DIEM PAID TO BOARD MEMBERS**

The Board Members serve without pay.

**LOUISIANA CAPITAL AREA ECONOMIC DEVELOPMENT ALLIES, INC.  
FINDINGS**

**2008-1      Late Filing of Report to Legislative Auditor**

**Condition**

As required by LRS 24:513 and 24:514, the Agency was required to file a sworn annual financial statement accompanied by affidavit and revenue certification form with the Legislative Auditor by December 31, 2007.

**Cause**

The Agency was disputing reimbursements and claims filed with the Louisiana Department of Economic Development; thus causing an oversight to file the annual financial statements for the year ended June 30, 2007.

**Recommendation**

None.



**Louisiana Capital Area Economic Development Allies, Inc.**  
P. O. Box 3044  
St. Francisville, LA 70775  
(225) 635-6767

## **CORRECTIVE ACTION PLAN**

**Legislative Auditor  
State of Louisiana**

Louisiana Capital Area Economic Development Allies, Inc. respectfully submits the following corrective action plan for the year ended June 30, 2007.

**2008-1      Late Filing of Report to Legislative Auditor**

### **Condition**

As required by LRS 24:513 and 24:514, the Agency was required to file a sworn annual financial statement accompanied by affidavit and revenue certification form with the Legislative Auditor by December 31, 2007.

### **Corrective Action Being Taken**

No corrective action is necessary. The purpose for which this organization was created has completed its contract with the Louisiana Department of Economic Development. Consequently, future operations are remote.

If the Legislative Auditor has questions regarding this plan, please call Steve Jones, Board Member at (225) 635-6767.

Sincerely yours,

*Steve Jones*

**Board Member**